

# Capacity-building Programme on OECD Due Diligence for Responsible Corporate Lending in Latin America

This note presents a **regional capacity building programme to strengthen the understanding, capability and know-how of financial institutions to carry-out risk-based due diligence for responsible business conduct in corporate lending portfolios**. The programme is part of the Project "Promoting Responsible Business Conduct in Latin America and the Caribbean" (RBC-LAC Project), which is implemented by the OECD, the ILO and the UN Office of the High Commissioner for Human Rights (OHCHR). The project is funded by the European Union (EU).

An OECD 2021 Business Survey on RBC in LAC found that **a majority of businesses need support and training to implement risk-based due diligence and to address human rights, social and environmental risks**. To address these challenges, the programme will enhance the understanding and capacity to implement due diligence based on the OECD instruments.



## Who can participate in the programme?

The programme is open to **financial institutions active in the corporate lending sector (e.g. banks, co-operatives)** in the countries covered by the RBC LAC Project: **Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Panama and Peru**. The curriculum will be tailored to a range of practitioners including those specialising in environmental and social risk analysis, risk oversight, regulatory compliance and sustainability strategy.

To participate, interested banks and financial institutions should commit to:

1. **Actively participate in all training activities** related to the programme (opening event, two 120 minute workshops, closing event).
2. **Apply training material related to environmental and social due diligence** (e.g. identify and assess the most significant areas of E&S risk across client portfolios, develop a process to assess the bank's involvement with adverse environmental and social impacts).
3. **Respond to a short evaluation survey** after the programme.



## Benefits for participants

- **Learn to actively identify, address and mitigate adverse impacts of their operations** on planet, people and society and apply this in corporate lending policies and practices.
- **An understanding of evolving regulatory requirements and how this relates to key steps within the OECD due diligence framework** such as risk identification, mitigation of adverse environmental and social risks, grievance and remedy mechanisms and effective communication in the financial sector.
- **A learning environment and safe space with financial sector peers in Latin America** to share experiences, exchange lessons learned and discuss challenges in implementing due diligence in their operations.
- **Insights from stakeholder lead experts** providing concrete recommendations and tools on how to address some of the key sectoral issues for financial sector practitioners in Latin America.
- **A certificate of completion** indicating that they have completed the training programme.



## Scope & Commitments of the programme

The regional Corporate Lending programme will be based on the [OECD Due Diligence for Responsible Corporate Lending and Securities Underwriting](#) (2019) and the [OECD Due Diligence Guidance for RBC](#) (2018) applicable to all sectors of the economy.

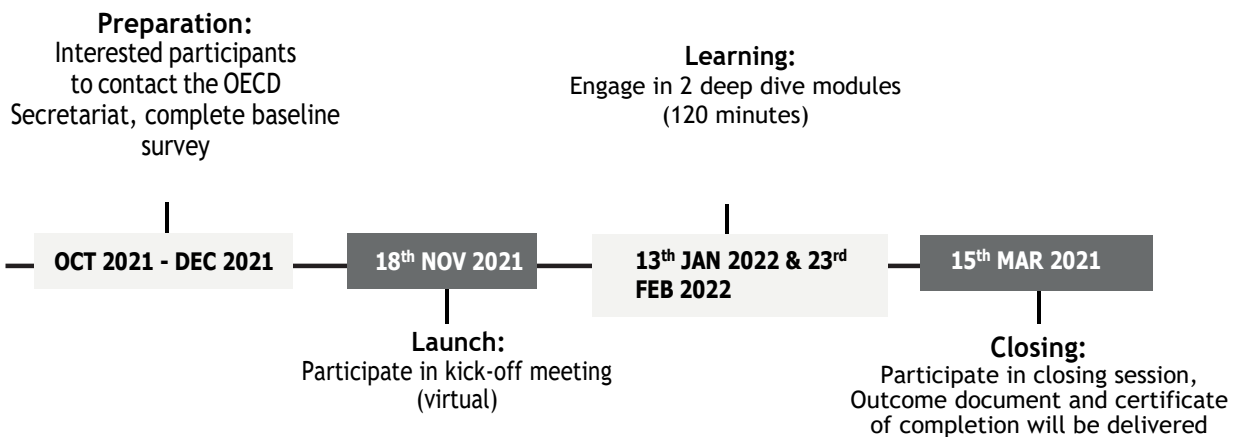
The Corporate Lending programme will consist of a **kick-off event, two deep-dive modules** (of 120 minutes each) **and a closing event – all of which will be virtual. The following topics will be covered during the workshops:**

1. **Identification and assessment risks:** good practices to carry out E&S risk due diligence in corporate lending at transaction outset and on an ongoing basis.
2. **Preventing and mitigating adverse impacts:** tools to mitigate key E&S adverse impacts in Latin America and approaches to remedy.
3. **Communication:** Reporting out effectively to the public to demonstrate the impact and results of E&S due diligence.

The program will be delivered in Spanish and training materials will be available in Spanish and English. A distinct curriculum is also offered on due diligence for institutional investors.



## Timeline & Structure



## The OECD Secretariat is collecting expressions of interest!



**Deadline:**

**5 Nov. 2021**



**[Application form](#)**

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[Click here](#) for more information about responsible Business Conduct - LAC Project

